

House File 377 - Introduced

HOUSE FILE 377
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(COMPANION TO SF 178 BY
SODDERS)

A BILL FOR

1 An Act relating to community development by allocating tax
2 credits for redevelopment of brownfields and grayfields and
3 by making an appropriation for certain community partnership
4 programs designed to support community beautification
5 projects.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.119, subsection 2, Code 2011, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *f.* The redevelopment tax credit program for
4 brownfields and grayfields administered pursuant to sections
5 15.293A and 15.293B.

6 Sec. 2. Section 15.119, Code 2011, is amended by adding the
7 following new subsection:

8 NEW SUBSECTION. 2A. In allocating the amount of tax
9 credits authorized pursuant to subsection 1 among the programs
10 specified in subsection 2, the department shall allocate at
11 least five million dollars for purposes of subsection 2,
12 paragraph "f".

13 Sec. 3. Section 15.293A, subsections 6, 7, and 12, Code
14 2011, are amended to read as follows:

15 6. For the fiscal year beginning July 1, 2009, the maximum
16 amount of tax credits issued by the department shall not
17 exceed one million dollars. ~~The department shall not issue~~
18 ~~tax credits pursuant to this section in subsequent fiscal~~
19 ~~years unless authorized pursuant to this subsection.~~ For each
20 subsequent fiscal year, the amount of tax credits that may be
21 issued by the department shall be subject to the limitation in
22 section 15.119.

23 7. An investment shall be deemed to have been made on the
24 date the qualifying redevelopment project is completed. An
25 investment made prior to January 1, 2009, or after June 30,
26 2010, shall not qualify for a tax credit under this part.

27 12. ~~If the maximum amount of tax credits available has~~
28 ~~not been issued at the end of a fiscal year, the remaining~~
29 ~~tax credit amount may be carried over to a subsequent fiscal~~
30 ~~year or may be issued in advance to qualifying redevelopment~~
31 ~~projects for a subsequent fiscal year~~ department does not issue
32 tax credits for the full amount allocated pursuant to section
33 15.119, subsection 2, paragraph "f", the remaining unallocated
34 amount of tax credits shall not carry forward to a subsequent
35 fiscal year allocation. Whenever the council approves a tax

1 credit which has not been allocated at the end of a fiscal
2 year, the department may prorate the remaining credit amount to
3 more than one eligible applicant.

4 Sec. 4. COMMUNITY PARTNERSHIP PROGRAM. There is
5 appropriated from the general fund of the state to the
6 department of natural resources for the fiscal year beginning
7 July 1, 2011, and ending June 30, 2012, the following amount,
8 or so much thereof as is necessary, to be used for the purposes
9 designated:

10 For the purposes of the community partnership program
11 described in section 455E.11, subsection 2, paragraph "a",
12 subparagraph (1), subparagraph division (a), subparagraph
13 subdivision (ii), subparagraph part (B):

14 \$ 200,000

15 EXPLANATION

16 This bill relates to community development.

17 The bill includes the redevelopment tax credits program for
18 brownfields and grayfields under the department of economic
19 development's aggregate tax credit limitation and makes
20 conforming changes to Code section 15.293A in order to allow
21 the department to issue tax credits under the program beginning
22 July 1, 2011. The bill requires the department to allocate at
23 least \$5 million of its maximum aggregate tax credit limitation
24 for purposes of the program. Including the program under
25 this limitation prevents the department from carrying forward
26 unissued credit amounts to the next fiscal year allocation.

27 In 2010, the general assembly authorized the department of
28 natural resources to expend up to \$100,000 for purposes of
29 providing grants to certain community partnership programs
30 designed to support community beautification projects. The
31 bill appropriates an additional \$200,000 for such purposes.